

HB 1543 - S COMM AMD

By Committee on Economic Development, Trade & Management

ADOPTED 04/03/2007

1 Strike everything after the enacting clause and insert the
2 following:

3 "Sec. 1. RCW 82.14.370 and 2004 c 130 s 2 are each amended to read
4 as follows:

5 (1) The legislative authority of a rural county may impose a sales
6 and use tax in accordance with the terms of this chapter. The tax is
7 in addition to other taxes authorized by law and shall be collected
8 from those persons who are taxable by the state under chapters 82.08
9 and 82.12 RCW upon the occurrence of any taxable event within the
10 county. The rate of tax shall not exceed 0.08 percent of the selling
11 price in the case of a sales tax or value of the article used in the
12 case of a use tax, except that for rural counties with population
13 densities between sixty and one hundred persons per square mile, the
14 rate shall not exceed 0.04 percent before January 1, 2000.

15 (2) The tax imposed under subsection (1) of this section shall be
16 deducted from the amount of tax otherwise required to be collected or
17 paid over to the department of revenue under chapter 82.08 or 82.12
18 RCW. The department of revenue shall perform the collection of such
19 taxes on behalf of the county at no cost to the county.

20 (3)(a) Moneys collected under this section shall only be used to
21 finance public facilities serving economic development purposes in
22 rural counties and finance personnel in economic development offices.
23 The public facility must be listed as an item in the officially adopted
24 county overall economic development plan, or the economic development
25 section of the county's comprehensive plan, or the comprehensive plan
26 of a city or town located within the county for those counties planning
27 under RCW 36.70A.040. For those counties that do not have an adopted
28 overall economic development plan and do not plan under the growth
29 management act, the public facility must be listed in the county's

1 capital facilities plan or the capital facilities plan of a city or
2 town located within the county.

3 (b) In implementing this section, the county shall consult with
4 cities, towns, and port districts located within the county and the
5 associate development organization serving the county to ensure that
6 the expenditure meets the goals of chapter 130, Laws of 2004 and the
7 requirements of (a) of this subsection. Each county collecting money
8 under this section shall report, as follows, to the office of the state
9 auditor, (~~(no later than October 1st)~~) within one hundred fifty days
10 after the close of each fiscal year(~~(τ)~~): (i) A list of new projects
11 (~~(from)~~) begun during the (~~(prior)~~) fiscal year, showing that the
12 county has used the funds for those projects consistent with the goals
13 of chapter 130, Laws of 2004 and the requirements of (a) of this
14 subsection; and (ii) expenditures during the fiscal year on projects
15 begun in a previous year. Any projects financed prior to June 10,
16 2004, from the proceeds of obligations to which the tax imposed under
17 subsection (1) of this section has been pledged shall not be deemed to
18 be new projects under this subsection.

19 (c) (~~(For the purposes of this section,~~) The definitions in this
20 section apply throughout this section.

21 (i) "Public facilities" means bridges, roads, domestic and
22 industrial water facilities, sanitary sewer facilities, earth
23 stabilization, storm sewer facilities, railroad, electricity, natural
24 gas, buildings, structures, telecommunications infrastructure,
25 transportation infrastructure, or commercial infrastructure, and port
26 facilities in the state of Washington(~~(; and)~~).

27 (ii) "Economic development purposes" means those purposes which
28 facilitate the creation or retention of businesses and jobs in a
29 county.

30 (iii) "Economic development office" means an office of a county,
31 port districts, or an associate development organization as defined in
32 RCW 43.330.010, which promotes economic development purposes within the
33 county.

34 (4) No tax may be collected under this section before July 1, 1998.
35 No tax may be collected under this section by a county more than
36 twenty-five years after the date that a tax is first imposed under this
37 section.

1 (5) For purposes of this section, "rural county" means a county
2 with a population density of less than one hundred persons per square
3 mile or a county smaller than two hundred twenty-five square miles as
4 determined by the office of financial management and published each
5 year by the department for the period July 1st to June 30th."

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6 Beginning on line 1 of the title, strike the remainder of the title
7 and insert "AN ACT Relating to financing economic development offices;
8 and amending RCW 82.14.370."

EFFECT: The yearly reports to the Auditor are due within 150 days after the close of each fiscal year. The reports will include information on expenditures made on projects begun in prior years.

Allows funds to go to the economic development office staff, instead of just to the economic development officer. Port districts are eligible to receive the funds collected through the rural county 0.08 percent sales and use tax to promote economic development purposes within the county.

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